



ANNUAL STATEMENT

For the Year Ended December 31, 2017
of the Condition and Affairs of the

Molina Healthcare of Michigan, Inc.

NAIC Group Code.....1531, 1531
(Current Period) (Prior Period)

NAIC Company Code..... 52630

Employer's ID Number..... 38-3341599

Organized under the Laws of MI

State of Domicile or Port of Entry MI

Country of Domicile US

Licensed as Business Type.....Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized..... February 12, 1997

Commenced Business..... January 1, 1998

Statutory Home Office

880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office

880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504
(Street and Number) (City or Town, State, Country and Zip Code)

248-925-1700
(Area Code) (Telephone Number)

Mail Address

880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records

880 W. Long Lake Rd., Suite 600..... Troy MI US 48098-4504
(Street and Number) (City or Town, State, Country and Zip Code)

248-925-1700
(Area Code) (Telephone Number)

Internet Web Site Address

www.molinahealthcare.com

Statutory Statement Contact

Margaret Alderton Crandell
(Name)

248-925-1701
(Area Code) (Telephone Number) (Extension)

peggy.crandell@molinahealthcare.com
(E-Mail Address)

855-502-4911
(Fax Number)

OFFICERS

Name	Title	Name	Title
1. Christine Margaret Surdock	President	2. Dennis Selorm Akotia	#
3. Jeffrey Don Barlow	Secretary	4.	Treasurer/VP Finance & Analytics

OTHER

DIRECTORS OR TRUSTEES

Christine Margaret Surdock	Matthew Carter Schueren	Scott Robert Johnson	Donna Marie Sickler	#
James Dwight Petty	Marissa Ann Morgan			

State of..... Michigan
County of..... Oakland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)
Christine Margaret Surdock

1. (Printed Name)
President

(Title)

(Signature)
Dennis Selorm Akotia

2. (Printed Name)
Treasurer/VP Finance & Analytics

(Title)

(Signature)
Jeffrey Don Barlow

3. (Printed Name)
Secretary

(Title)

Subscribed and sworn to before me

This _____ day of _____ 2018

a. Is this an original filing? Yes [X] No []

b. If no

1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	134,593,371		134,593,371	92,443,226
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....48,821,256, Schedule E-Part 1), cash equivalents (\$.....19,137,348, Schedule E-Part 2) and short-term investments (\$.....151,646,585, Schedule DA).....	219,605,188		219,605,188	312,439,585
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	354,198,559	.0	354,198,559	404,882,811
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	1,414,725		1,414,725	810,026
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	23,655,764		23,655,764	31,021,382
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums (\$.....311,826) and contracts subject to redetermination (\$.....7,413,112).....	7,724,938		7,724,938	6,167,231
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	262,895		262,895	42,555
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....	285,227		285,227	285,227
18.1 Current federal and foreign income tax recoverable and interest thereon.....	5,441,785		5,441,785	
18.2 Net deferred tax asset.....	16,372,934	10,892,294	5,480,640	9,578,346
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....	403,906	403,906	.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....	3,652,902	3,652,902	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....9,775,297) and other amounts receivable.....	24,401,180	14,625,883	9,775,297	8,871,431
25. Aggregate write-ins for other-than-invested assets.....	56,554,756	42,302,839	14,251,917	15,265,465
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	494,369,571	71,877,824	422,491,747	476,924,474
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	494,369,571	71,877,824	422,491,747	476,924,474

DETAILS OF WRITE-INS

1101. ....			.0	
1102. ....			.0	
1103. ....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepaid Expenses/Deposits.....	71,619	71,619	.0	
2502. Goodwill and intangible assets.....	56,305,634	42,231,220	14,074,414	14,824,907
2503. State Income Tax Recoverable.....	177,503		177,503	440,558
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	56,554,756	42,302,839	14,251,917	15,265,465

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	190,419,718	266,629	190,686,347	244,399,207
2. Accrued medical incentive pool and bonus amounts.....	9,495,552		9,495,552	8,248,414
3. Unpaid claims adjustment expenses.....	2,390,552	5,031	2,395,583	2,515,606
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....	30,618,685		30,618,685	17,871,102
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserves.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	2,261,701		2,261,701	2,027,836
9. General expenses due or accrued.....	3,323,583		3,323,583	6,031,230
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....			0	1,074,450
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	5,789,697		5,789,697	3,038,971
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....	3,403,446		3,403,446	3,893,329
23. Aggregate write-ins for other liabilities (including \$.....14,217,963 current).....	14,217,963	0	14,217,963	15,522,478
24. Total liabilities (Lines 1 to 23).....	261,920,897	271,660	262,192,557	304,622,623
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	34,100,000	0
26. Common capital stock.....	XXX	XXX	159,000	159,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	82,404,971	82,404,971
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	43,635,219	89,737,880
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	160,299,190	172,301,851
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	422,491,747	476,924,474

DETAILS OF WRITE-INS

2301. Premium/Use Taxes Due.....	4,576,198		4,576,198	6,665,427
2302. Amounts Due to Government Agencies.....	9,641,765		9,641,765	8,857,051
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	14,217,963	0	14,217,963	15,522,478
2501. 2018 health insurer fee accrual estimate.....	XXX	XXX	34,100,000	
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX	34,100,000	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX.....	4,904,292	4,722,341
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	1,933,072,561	2,107,747,238
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....	16,224,954	(2,942,960)
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....		
5. Risk revenue.....	XXX.....		
6. Aggregate write-ins for other health care related revenues.....	XXX.....	.0	.0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	.0	.0
8. Total revenues (Lines 2 to 7).....	XXX.....	1,949,297,515	2,104,804,278
Hospital and Medical:			
9. Hospital/medical benefits.....		1,179,572,886	1,230,323,699
10. Other professional services.....		50,842,525	55,612,035
11. Outside referrals.....	3,533,471	69,575,806	77,330,617
12. Emergency room and out-of-area.....		152,444,481	141,242,305
13. Prescription drugs.....		218,162,802	213,209,683
14. Aggregate write-ins for other hospital and medical.....	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....		17,246,168	11,449,764
16. Subtotal (Lines 9 to 15).....	3,533,471	1,687,844,668	1,729,168,103
Less:			
17. Net reinsurance recoveries.....		2,944,213	95,545
18. Total hospital and medical (Lines 16 minus 17).....	3,533,471	1,684,900,455	1,729,072,558
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$....46,593,404 cost containment expenses.....		53,409,469	52,515,212
21. General administrative expenses.....		161,865,566	262,203,765
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....	3,533,471	1,900,175,490	2,043,791,535
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	49,122,025	61,012,743
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		4,197,372	2,778,138
26. Net realized capital gains or (losses) less capital gains tax of \$....(12,751).....		(23,679)	13,346
27. Net investment gains or (losses) (Lines 25 plus 26).....	.0	4,173,693	2,791,484
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....			
29. Aggregate write-ins for other income or expenses.....	.0	(49,859)	.0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	53,245,859	63,804,227
31. Federal and foreign income taxes incurred.....	XXX.....	20,288,404	32,879,972
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	32,957,455	30,924,255

DETAILS OF WRITE-INS			
0601.	XXX.....		
0602.	XXX.....		
0603.	XXX.....		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX.....	.0	.0
0701.	XXX.....		
0702.	XXX.....		
0703.	XXX.....		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	.0	.0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX.....	.0	.0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.0	.0	.0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	.0	.0	.0
2901. Fines and penalties.....		(49,859)	
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.0	.0	.0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	.0	(49,859)	.0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	.....172,301,851	.....138,724,772
34. Net income or (loss) from Line 32.....	.....32,957,455	.....30,924,255
35. Change in valuation basis of aggregate policy and claim reserves.....	.....	.....
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$.....0.....	.....	.....276
37. Change in net unrealized foreign exchange capital gain or (loss).....	.....	.....
38. Change in net deferred income tax.....	.....(12,739,285)	.....754,654
39. Change in nonadmitted assets.....	.....17,779,169	.....1,897,894
40. Change in unauthorized and certified reinsurance.....	.....	.....
41. Change in treasury stock.....	.....	.....
42. Change in surplus notes.....	.....	.....
43. Cumulative effect of changes in accounting principles.....	.....	.....
44. Capital changes:		
44.1 Paid in.....	.....	.....
44.2 Transferred from surplus (Stock Dividend).....	.....	.....
44.3 Transferred to surplus.....	.....	.....
45. Surplus adjustments:		
45.1 Paid in.....	.....	.....
45.2 Transferred to capital (Stock Dividend).....	.....	.....
45.3 Transferred from capital.....	.....	.....
46. Dividends to stockholders.....	.....(50,000,000)	.....
47. Aggregate write-ins for gains or (losses) in surplus.....	.....0	.....0
48. Net change in capital and surplus (Lines 34 to 47).....	.....(12,002,661)	.....33,577,079
49. Capital and surplus end of reporting period (Line 33 plus 48).....	.....160,299,190	.....172,301,851

DETAILS OF WRITE-INS		
4701. ....	.....	.....
4702. ....	.....	.....
4703. ....	.....	.....
4798. Summary of remaining write-ins for Line 47 from overflow page.....	.....0	.....0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	.....0	.....0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	1,968,871,590	2,095,544,065
2. Net investment income.....	4,776,429	4,235,912
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	1,973,648,019	2,099,779,977
5. Benefit and loss related payments.....	1,739,463,366	1,684,948,698
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	209,889,433	309,736,891
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....(12,751) tax on capital gains (losses).....	26,791,888	30,197,000
10. Total (Lines 5 through 9).....	1,976,144,687	2,024,882,589
11. Net cash from operations (Line 4 minus Line 10).....	(2,496,668)	74,897,388
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	65,975,000	52,265,024
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(13,356)	2,847
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	65,961,644	52,267,871
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	109,331,977	70,631,377
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	109,331,977	70,631,377
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(43,370,333)	(18,363,506)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....	50,000,000	
16.6 Other cash provided (applied).....	3,032,604	26,925,017
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(46,967,396)	26,925,017
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(92,834,397)	83,458,899
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	312,439,585	228,980,686
19.2 End of year (Line 18 plus Line 19.1).....	219,605,188	312,439,585

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
---------	--	--

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical).....	50,192,901		105,401	50,087,500
2.	Medicare supplement.....				.0
3.	Dental only.....				.0
4.	Vision only.....				.0
5.	Federal employees health benefits plan.....				.0
6.	Title XVIII - Medicare.....	362,347,711		41,459	362,306,252
7.	Title XIX - Medicaid.....	1,521,179,628		500,819	1,520,678,809
8.	Other health.....				.0
9.	Health subtotal (Lines 1 through 8).....	1,933,720,240	0	647,679	1,933,072,561
10.	Life.....				.0
11.	Property/casualty.....				.0
12.	Totals (Lines 9 to 11).....	1,933,720,240	0	647,679	1,933,072,561

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct.....	1,726,188,209	34,723,803					309,638,535	1,381,825,871		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	2,723,872	98,342						2,625,530		
1.4 Net.....	1,723,464,337	34,625,461	0	0	0	0	309,638,535	1,379,200,341	0	0
2. Paid medical incentive pools and bonuses.....	15,999,030	59,924					1,323,046	14,616,060		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	190,686,346	4,359,898					54,737,966	131,588,482		
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	190,686,346	4,359,898	0	0	0	0	54,737,966	131,588,482	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	0									
4.2 Reinsurance assumed.....	0									
4.3 Reinsurance ceded.....	0									
4.4 Net.....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	9,495,552	32,433					2,587,299	6,875,820		
6. Net healthcare receivables (a).....	1,876,849	1,247,493					(588,644)	1,218,000		
7. Amounts recoverable from reinsurers December 31, current year.....	262,895	17,524						245,371		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	244,399,207	1,122,446					52,112,976	191,163,785		
8.2 Reinsurance assumed.....	0									
8.3 Reinsurance ceded.....	0									
8.4 Net.....	244,399,207	1,122,446	0	0	0	0	52,112,976	191,163,785	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	0									
9.2 Reinsurance assumed.....	0									
9.3 Reinsurance ceded.....	0									
9.4 Net.....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	8,248,414						1,112,255	7,136,159		
11. Amounts recoverable from reinsurers December 31, prior year.....	42,555	42,555								
12. Incurred benefits:										
12.1 Direct.....	1,670,598,499	36,713,762	0	0	0	0	312,852,169	1,321,032,568	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	2,944,212	73,311	0	0	0	0	0	2,870,901	0	0
12.4 Net.....	1,667,654,287	36,640,451	0	0	0	0	312,852,169	1,318,161,667	0	0
13. Incurred medical incentive pools and bonuses.....	17,246,168	92,357	0	0	0	0	2,798,090	14,355,721	0	0

(a) Excludes \$.0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	63,720,389	383,972					18,425,702	44,910,715		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	63,720,389	383,972	0	0	0	0	18,425,702	44,910,715	0	0
2. Incurred but unreported:										
2.1 Direct.....	126,965,957	3,975,926					36,312,264	86,677,767		
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	0									
2.4 Net.....	126,965,957	3,975,926	0	0	0	0	36,312,264	86,677,767	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	0									
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct.....	190,686,346	4,359,898	0	0	0	0	54,737,966	131,588,482	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	190,686,346	4,359,898	0	0	0	0	54,737,966	131,588,482	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical).....	997,579	33,652,913	13,811	4,346,087	1,011,390	1,122,446
2. Medicare supplement.....					0	
3. Dental only.....					0	
4. Vision only.....					0	
5. Federal employees health benefits plan.....					0	
6. Title XVIII - Medicare.....	26,785,535	282,853,000	88,454	54,649,511	26,873,989	52,112,976
7. Title XIX - Medicaid.....	174,080,323	1,204,874,647	8,159,002	123,429,482	182,239,325	191,163,785
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	201,863,437	1,521,380,560	8,261,267	182,425,080	210,124,704	244,399,207
10. Healthcare receivables (a).....	1,654,475	21,195,922		1,550,783	1,654,475	22,524,332
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....	8,248,414	7,750,616	1,364,600	8,130,952	9,613,014	8,248,414
13. Totals (Lines 9 - 10 + 11 + 12).....	208,457,376	1,507,935,254	9,625,867	189,005,249	218,083,243	230,123,289

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	74,695	74,695	74,695	74,695	74,695
2. 2013.....	672,843	745,643	745,643	745,643	745,643
3. 2014.....	XXX	753,906	856,460	856,460	856,460
4. 2015.....	XXX	XXX	972,074	1,129,036	1,129,036
5. 2016.....	XXX	XXX	XXX	1,520,102	1,721,966
6. 2017.....	XXX	XXX	XXX	XXX	1,521,381

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	74,695	74,695	74,695	74,695	74,695
2. 2013.....	755,748	745,831	745,831	745,831	745,831
3. 2014.....	XXX	869,797	863,392	863,392	863,392
4. 2015.....	XXX	XXX	1,166,557	1,142,364	1,142,364
5. 2016.....	XXX	XXX	XXX	1,759,423	1,731,592
6. 2017.....	XXX	XXX	XXX	XXX	1,711,937

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....	883,385	745,643	22,354	3.0	767,997	86.9			767,997	86.9
2. 2014.....	1,059,675	856,460	24,732	2.9	881,192	83.2			881,192	83.2
3. 2015.....	1,468,184	1,129,036	36,101	3.2	1,165,137	79.4			1,165,137	79.4
4. 2016.....	2,105,396	1,721,966	52,515	3.0	1,774,481	84.3	9,626	(2)	1,784,105	84.7
5. 2017.....	1,949,946	1,521,381	53,409	3.5	1,574,790	80.8	190,556	2,397	1,767,743	90.7

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	137	137	137	137	137
2. 2013.....	1,033	1,257	1,257	1,257	1,257
3. 2014.....	XXX	3,259	3,636	3,636	3,636
4. 2015.....	XXX	XXX	6,713	7,341	7,341
5. 2016.....	XXX	XXX	XXX	5,447	6,445
6. 2017.....	XXX	XXX	XXX	XXX	33,653

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	137	137	137	137	137
2. 2013.....	1,367	1,258	1,258	1,258	1,258
3. 2014.....	XXX	3,725	3,669	3,669	3,669
4. 2015.....	XXX	XXX	7,495	7,331	7,331
5. 2016.....	XXX	XXX	XXX	6,580	6,465
6. 2017.....	XXX	XXX	XXX	XXX	38,025

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....	2,569	1,257	84	6.7	1,341	52.2			1,341	52.2
2. 2014.....	7,521	3,636	216	5.9	3,852	51.2			3,852	51.2
3. 2015.....	14,700	7,341	487	6.6	7,828	53.3			7,828	53.3
4. 2016.....	9,996	6,445	267	4.1	6,712	67.1	20		6,732	67.3
5. 2017.....	50,928	33,653	1,241	3.7	34,894	68.5	4,372	75	39,341	77.2

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	22,581	22,581	22,581	22,581	22,581
2. 2013.....	109,517	123,140	123,140	123,140	123,140
3. 2014.....	XXX	149,000	167,938	167,938	167,938
4. 2015.....	XXX	XXX	165,572	186,451	186,451
5. 2016.....	XXX	XXX	XXX	213,497	240,283
6. 2017.....	XXX	XXX	XXX	XXX	282,853

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	22,581	22,581	22,581	22,581	22,581
2. 2013.....	130,715	123,330	123,330	123,330	123,330
3. 2014.....	XXX	168,609	168,802	168,802	168,802
4. 2015.....	XXX	XXX	198,462	186,644	186,644
5. 2016.....	XXX	XXX	XXX	255,766	240,679
6. 2017.....	XXX	XXX	XXX	XXX	339,718

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....	153,800	123,140	4,247	3.4	127,387	82.8			127,387	82.8
2. 2014.....	173,222	167,938	4,558	2.7	172,496	99.6			172,496	99.6
3. 2015.....	222,434	186,451	4,672	2.5	191,123	85.9			191,123	85.9
4. 2016.....	285,102	240,283	12,390	5.2	252,673	88.6	396	.2	253,071	88.8
5. 2017.....	371,594	282,853	24,299	8.6	307,152	82.7	56,865	.683	364,700	98.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	51,977	51,977	51,977	51,977	51,977
2. 2013.....	562,293	621,246	621,246	621,246	621,246
3. 2014.....	XXX	601,647	684,886	684,886	684,886
4. 2015.....	XXX	XXX	799,789	935,244	935,244
5. 2016.....	XXX	XXX	XXX	1,301,158	1,475,238
6. 2017.....	XXX	XXX	XXX	XXX	1,204,875

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	51,977	51,977	51,977	51,977	51,977
2. 2013.....	623,666	621,243	621,243	621,243	621,243
3. 2014.....	XXX	697,463	690,921	690,921	690,921
4. 2015.....	XXX	XXX	960,600	948,389	948,389
5. 2016.....	XXX	XXX	XXX	1,497,077	1,484,448
6. 2017.....	XXX	XXX	XXX	XXX	1,334,194

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....	727,016	621,246	18,023	2.9	639,269	87.9			639,269	87.9
2. 2014.....	878,932	684,886	19,958	2.9	704,844	80.2			704,844	80.2
3. 2015.....	1,231,050	935,244	30,942	3.3	966,186	78.5			966,186	78.5
4. 2016.....	1,810,298	1,475,238	39,858	2.7	1,515,096	83.7	9,210	(4)	1,524,302	84.2
5. 2017.....	1,527,424	1,204,875	27,869	2.3	1,232,744	80.7	129,319	1,639	1,363,702	89.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(\$000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	NONE				
2. 2013.....					
3. 2014.....					
4. 2015.....					
5. 2016.....					
6. 2017.....					

SECTION B - INCURRED HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior.....	NONE				
2. 2013.....					
3. 2014.....					
4. 2015.....					
5. 2016.....					
6. 2017.....					

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 3 + Col. 4)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013.....		0		0	0	0.0			0	0.0
2. 2014.....		0		0	0	0.0			0	0.0
3. 2015.....		0		0	0	0.0			0	0.0
4. 2016.....		0		0	0	0.0			0	0.0
5. 2017.....		0		0	0	0.0			0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	0								
2. Additional policy reserves (a).....	0								
3. Reserve for future contingent benefits.....	0								
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income).....	466,107						466,107		
5. Aggregate write-ins for other policy reserves.....	30,152,578	27,331,392	0	0	0	0	1,728,688	1,092,498	0
6. Totals (gross).....	30,618,685	27,331,392	0	0	0	0	2,194,795	1,092,498	0
7. Reinsurance ceded.....	0								
8. Totals (net) (Page 3, Line 4).....	30,618,685	27,331,392	0	0	0	0	2,194,795	1,092,498	0
9. Present value of amounts not yet due on claims.....	0								
10. Reserve for future contingent benefits.....	0								
11. Aggregate write-ins for other claim reserves.....	0	0	0	0	0	0	0	0	0
12. Totals (gross).....	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded.....	0								
14. Totals (net) (Page 3, Line 7).....	0	0	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

0501. Risk adjustment liabilities.....	30,152,578	27,331,392					1,728,688	1,092,498	
0502.	0								
0503.	0								
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	30,152,578	27,331,392	0	0	0	0	1,728,688	1,092,498	0
1101.	0								
1102.	0								
1103.	0								
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0	0	0	0	0	0

(a) Includes \$.....0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....	.....	.....403	.....10,416,983	.....	.....10,417,386
2. Salaries, wages and other benefits.....	.....36,784,850	.....1,725,314	.....50,328,720	.....	.....88,838,884
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....	.....	.....	.....3,463,780	.....	.....3,463,780
4. Legal fees and expenses.....	.....	.....	.....898,057	.....	.....898,057
5. Certifications and accreditation fees.....	.....93,992	.....	.....	.....	.....93,992
6. Auditing, actuarial and other consulting services.....	.....533,528	.....50,768	.....5,533,229	.....	.....6,117,525
7. Traveling expenses.....	.....576,875	.....4,969	.....778,303	.....	.....1,360,147
8. Marketing and advertising.....	.....883,656	.....	.....2,535,565	.....	.....3,419,221
9. Postage, express and telephone.....	.....219,917	.....1,477	.....3,298,817	.....	.....3,520,211
10. Printing and office supplies.....	.....22,044	.....7,656	.....2,768,394	.....	.....2,798,094
11. Occupancy, depreciation and amortization.....	.....	.....	.....21,936,503	.....	.....21,936,503
12. Equipment.....	.....3,292	.....134	.....281,175	.....	.....284,601
13. Cost or depreciation of EDP equipment and software.....	.....37,478	.....134	.....9,476,482	.....	.....9,514,094
14. Outsourced services including EDP, claims, and other services.....	.....4,712,966	.....4,894,260	.....17,915,418	.....	.....27,522,644
15. Boards, bureaus and association fees.....	.....8,676	.....	.....335,228	.....	.....343,904
16. Insurance, except on real estate.....	.....12,377	.....	.....432,700	.....	.....445,077
17. Collection and bank service charges.....	.....60	.....	.....350,067	.....16,206	.....366,333
18. Group service and administration fees.....	.....	.....	.....	.....	.....0
19. Reimbursements by uninsured plans.....	.....	.....	.....	.....	.....0
20. Reimbursements from fiscal intermediaries.....	.....	.....	.....	.....	.....0
21. Real estate expenses.....	.....	.....	.....	.....	.....0
22. Real estate taxes.....	.....	.....	.....407,413	.....	.....407,413
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....	.....	.....	.....1,145,123	.....	.....1,145,123
23.2 State premium taxes.....	.....	.....	.....13,105,320	.....	.....13,105,320
23.3 Regulatory authority licenses and fees.....	.....23,684	.....	.....3,608,231	.....	.....3,631,915
23.4 Payroll taxes.....	.....2,680,009	.....130,950	.....3,427,326	.....	.....6,238,285
23.5 Other (excluding federal income and real estate taxes).....	.....	.....	.....1,340	.....	.....1,340
24. Investment expenses not included elsewhere.....	.....	.....	.....	.....8,259	.....8,259
25. Aggregate write-ins for expenses.....	.....0	.....0	.....9,421,392	.....0	.....9,421,392
26. Total expenses incurred (Lines 1 to 25).....	.....46,593,404	.....6,816,065	.....161,865,566	.....24,465	(a).....215,299,500
27. Less expenses unpaid December 31, current year.....	.....	.....2,395,583	.....3,323,583	.....	.....5,719,166
28. Add expenses unpaid December 31, prior year.....	.....	.....2,515,606	.....6,031,230	.....	.....8,546,836
29. Amounts receivable relating to uninsured plans, prior year.....	.....	.....	.....285,227	.....	.....285,227
30. Amounts receivable relating to uninsured plans, current year.....	.....	.....	.....285,227	.....	.....285,227
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	.....46,593,404	.....6,936,088	.....164,573,213	.....24,465	.....218,127,170

DETAILS OF WRITE-INS

2501. Charitable contributions.....	.....	.....	.....10,752	.....	.....10,752
2502. Borrowing costs.....	.....	.....	.....8,298,192	.....	.....8,298,192
2503. Other administrative expenses.....	.....	.....	.....1,112,448	.....	.....1,112,448
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.....0	.....0	.....0	.....0	.....0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.....0	.....0	.....9,421,392	.....0	.....9,421,392

(a) Includes management fees of \$.....123,946,238 to affiliates and \$..... to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....	.....
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....1,309,501	.....1,589,218
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....2,307,583	.....2,632,619
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....3,617,084	.....4,221,837
11. Investment expenses.....	.....	(g).....24,465
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....24,465
17. Net investment income (Line 10 minus Line 16).....	.....	.....4,197,372

DETAILS OF WRITE-INS

0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....20,279 accrual of discount less \$.....1,204,037 amortization of premium and less \$.....605,375 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....878,943 accrual of discount less \$.....639,322 amortization of premium and less \$.....181,983 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....24,465 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....(23,074)	.....	.....(23,074)	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....(13,356)	.....	.....(13,356)	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....(36,430)	.....0	.....(36,430)	.....0	.....0

DETAILS OF WRITE-INS

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page...	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....	10,892,294	19,533,872	8,641,578
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	403,906	648,289	244,383
21. Furniture and equipment, including health care delivery assets.....	3,652,902	4,272,418	619,516
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....	14,625,883	13,652,900	(972,983)
25. Aggregate write-ins for other-than-invested assets.....	42,302,839	51,549,514	9,246,675
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	71,877,824	89,656,993	17,779,169
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	71,877,824	89,656,993	17,779,169

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid expenses/deposits.....	71,619	92,272	20,653
2502. Goodwill and intangible assets.....	42,231,220	51,457,242	9,226,022
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	42,302,839	51,549,514	9,246,675

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health maintenance organizations.....	391,148	416,815	413,711	399,477	398,239	4,904,292
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....						
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	391,148	416,815	413,711	399,477	398,239	4,904,292

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

Molina Healthcare of Michigan, Inc. (the"Plan")is a wholly owned subsidiary of Molina Healthcare, Inc. ("Molina"). The financial statements of the Plan are presented on the basis of accounting practices prescribed or permitted by the State of Michigan, Department of Insurance and Financial Services (the "Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Michigan for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Michigan insurance law. The National Association of Insurance Commissioners' *Accounting Practices and Procedures Manual* ("NAIC SAP" or the "Manual") has been adopted as a component of prescribed or permitted practices by the state of Michigan.

Such prescribed accounting practices have no significant effect on the Plan’s statutory basis financial statements for the periods presented.

	SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME					
(1) Molina Healthcare of Michigan, Inc. Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 32,957,455	\$ 30,924,255
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 32,957,455	\$ 30,924,255
SURPLUS					
(5) Molina Healthcare of Michigan, Inc. Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 160,299,190	\$ 172,301,851
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 160,299,190	\$ 172,301,851

B. Use of Estimates in the Preparation of the Financial Statement

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Revenue Recognition: The Plan arranges for the provision of health care services to Medicaid and Medicare recipients under contracts with the state of Michigan and the Centers for Medicare and Medicaid Services ("CMS"). The Plan also serves members through the Health Insurance Marketplace ("Marketplace"). Premium revenue is recognized in the month that members are entitled to receive health care services, and is fixed in advance of the periods covered. Premiums received in advance are deferred. Generally, premium revenue is not subject to significant accounting estimates except as described below and in Note 24.

Contractual Provisions that May Adjust or Limit Revenue or Profit

Medical Cost Floors and Corridors: Sanctions may be levied by the state if the amounts spent on medical care costs as a percentage of premiums are not within a specified range. These sanctions include the requirements to file a corrective action plan as well as an auto assignment freeze. Further, for certain Medicaid premiums, amounts may be returned to the state if certain minimum amounts are not spent on defined medical care costs, or the Plan may receive additional premiums if amounts spent on medical care costs exceed a defined maximum threshold.

The Plan may be required to return a portion of Medicare and Marketplace premiums if certain minimum amounts are not spent on defined medical care costs in accordance with requirements established by the Federal government.

Quality Incentives

Quality Incentive Premiums: Under the Plan’s contract with the Michigan Department of Community Health (MDCH), 1% of Medicaid premiums, and 2% of Dual Eligible premiums are withheld and paid to the Plan subject to certain performance bonus measures being met.

Recognition of Medical Care Costs: Medical care costs include primarily fee-for-services expenses. Nearly all hospital services and the majority of the Plan’s primary care and physician specialist services are paid on a fee-for-service basis. Under fee-for-service arrangements, the Plan retains the financial responsibility for medical care provided and incurs costs based on actual utilization of services. Such expenses are recorded in the period in which the related services are dispensed. Medical care costs include amounts that have been paid by the Plan through the reporting date, as well as estimated liabilities for medical care costs incurred but not paid by the Plan as of the reporting date. Refer to Note 25 for further information.

In addition, the Plan applies the following accounting policies:

- (1) Short-term investments consist primarily of money market funds and investments in corporate debt securities with maturity dates of less than one year from the date of issuance. Realized capital gains and losses are determined using the specific-identification method.
- (2) Investments in bonds: Bonds not backed by other loans are principally stated at amortized cost using the scientific method. Changes in admitted asset carrying amounts of bonds are credited or charged directly to unassigned surplus.
- (3) Investments in common stock: None.

NOTES TO FINANCIAL STATEMENTS

- (4) Investments in preferred stock: None.
- (5) Investments in mortgage loans: None.
- (6) Investments in loan-backed securities: None.
- (7) Investments in subsidiaries, controlled or affiliated companies: None.
- (8) Investments in joint ventures, partnerships and limited liability companies: None.
- (9) Investments in derivatives: None.
- (10) Premium deficiency calculation: The Plan anticipates investment income as a factor in the premium deficiency calculation, in accordance with Statement of Statutory Accounting Principles ("SSAP") No. 54, *Individual and Group Accident and Health Contracts*.
- (11) Claims unpaid and claims adjustment expenses: Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) Capitalization policy: No change from prior period.
- (13) Pharmacy rebate receivables: Amounts receivable for pharmacy rebates are estimated based upon billed amounts to pharmaceutical companies, utilization data, historical collection trends and the Plan's judgment regarding the ability to collect specific amounts. Income from pharmacy rebates is reported as a reduction of hospital and medical expense in the statement of revenue and expenses. The Plan admits estimated pharmacy rebate receivables relating to the three months immediately preceding the reporting date in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*.

D. Going Concern

The Plan is not aware of any relevant conditions or events that raise substantial doubt about its abilities to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the year ended December 31, 2017.

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

- (1) On September 1, 2015, the Plan closed on its acquisition of the Medicaid and MICHild contracts, and certain provider agreements, of HealthPlus of Michigan and its subsidiary, HealthPlus Partners, Inc. The Plan added approximately 68,000 members as a result of this transaction.

On January 1, 2016, the Plan closed on its acquisition of the Medicaid and MICHild membership, and certain Medicaid and MICHild assets, of HAP Midwest Health Plan, Inc. The Plan added approximately 68,000 Medicaid and MICHild members as a result of this acquisition.

- (2) This transaction was accounted for as a statutory purchase.
- (3) The cost of each acquisition and the resulting amount of goodwill are listed in the table below (in millions):

Acquisition Name	Cost of Acquisition	Goodwill
HealthPlus of Michigan	\$ 47.4	\$ 27.3
HAP Midwest Health Plan, Inc.	30.5	24.6

- (4) Goodwill amortization for each of the acquisitions for the period ended December 31, 2017 are listed in the table below:

Acquisition Name	Goodwill Amortization for the period ended December 31, 2017
HealthPlus of Michigan	\$ 2,731,485
HAP Midwest Health Plan, Inc.	2,457,530

- B. Statutory Merger: None.
- C. Assumption Reinsurance: None.
- D. Impairment Loss: None.

Note 4 – Discontinued Operations

None.

Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None.
- B. Debt Restructuring: None.

NOTES TO FINANCIAL STATEMENTS

- C. Reverse Mortgages: None.
- D. Loan-Backed Securities: None.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.
- H. Repurchase Agreements Transactions Accounted for as a Sale: None.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None.
- J. Real Estate: None.
- K. Low-Income Housing Tax Credits (LIHTC): None.
- L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements						%	%
c. Subject to repurchase agreements						%	%
d. Subject to reverse repurchase agreements						%	%
e. Subject to dollar repurchase agreements						%	%
f. Subject to dollar reverse repurchase agreements						%	%
g. Placed under option contracts						%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock						%	%
i. FHLB capital stock						%	%
j. On deposit with states	1,018,313	1,014,052	4,261		1,018,313	0.2%	0.2%
k. On deposit with other regulatory bodies						%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)						%	%
m. Pledged as collateral not captured in other categories						%	%
n. Other restricted assets						%	%
o. Total Restricted Assets	\$ 1,018,313	\$ 1,014,052	\$ 4,261	\$	\$ 1,018,313	0.2%	0.2%

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate): None.
- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate): None.
- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements: None.

- M. Working Capital Finance Investments: None.
- N. Offsetting and Netting of Assets and Liabilities: None.
- O. Structured Notes: None.
- P. 5* Securities: None.
- Q. Short Sales: None.
- R. Prepayment Penalty and Acceleration Fees:

Prepayment Penalty and Acceleration Fees	
Number of CUSIPs	2
Aggregate Amount of Investment Income	\$ (36,514)

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None.

NOTES TO FINANCIAL STATEMENTS

Note 7 – Investment Income

The Plan had no investment income that was excluded in 2017 or 2016. All of the Plan’s investments and the income derived from such investments meet the criteria for admitted receivables.

Note 8 – Derivative Instruments

None.

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2017			2016			Change		
	1	2	3	4	5	6	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Gross deferred tax assets	\$ 16,399,680	\$	\$ 16,399,680	\$ 29,112,218	\$	\$ 29,112,218	\$(12,712,538)	\$	\$(12,712,538)
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	\$ 16,399,680	\$	\$ 16,399,680	\$ 29,112,218	\$	\$ 29,112,218	\$(12,712,538)	\$	\$(12,712,538)
d. Deferred tax assets nonadmitted	10,892,294		10,892,294	19,533,872		19,533,872	(8,641,578)		(8,641,578)
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 5,507,386	\$	\$ 5,507,386	\$ 9,578,346	\$	\$ 9,578,346	\$ (4,070,960)	\$	(4,070,960)
f. Deferred tax liabilities	26,746		26,746				26,746		26,746
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 5,480,640	\$	\$ 5,480,640	\$ 9,578,346	\$	\$ 9,578,346	\$ (4,097,706)	\$	\$ (4,097,706)

2. Admission Calculation Components SSAP No.101, Income Taxes

	1	2017	3	4	2016	6	7	Change	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	4,404,374		4,404,374	7,679,988		7,679,988	(3,275,614)		(3,275,614)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	1,076,266		1,076,266	1,898,359		1,898,359	(822,093)		(822,093)
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	1,076,266		1,076,266	1,898,359		1,898,359	(822,093)		(822,093)
Adjusted gross deferred tax assets allowed per limitation threshold			21,111,620			22,184,790			(1,073,170)
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	26,746		26,746				26,746		26,746
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	5,507,386		5,507,386	9,578,347		9,578,347	(4,070,961)		(4,070,961)

3. Other Admissibility Criteria

	2017	2016
a. Ratio percentage used to determine recovery period and threshold limitation amount	299.6%	324.2%

NOTES TO FINANCIAL STATEMENTS

b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	154,818,550	162,723,505
----	------------------------------------------------------------------------------------------------------------------	-------------	-------------

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/2017		12/31/2016		Change	
	1	2	3	4	5	6
	Ordinary	Capital	Ordinary	Capital	(Col. 1-3) Ordinary	(Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	16,399,680		29,112,218		(12,712,538)	
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	5,507,386		9,578,346		(4,070,960)	
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized: None.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2017	2016	(Col 1-2) Change
a. Federal	19,489,551	32,905,766	(13,416,215)
b. Foreign			
c. Subtotal	19,489,551	32,905,766	(13,416,215)
d. Federal income tax on net capital gains	(12,751)	7,187	(19,938)
e. Utilization of capital loss carry-forwards			
f. Other	798,853	(25,794)	824,647
g. Federal and Foreign income taxes incurred	20,275,653	32,887,159	(12,611,506)

2. Deferred Tax Assets

	1	2	3
	2017	2016	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	873,704	688,399	185,305
2. Unearned premium reserve	94,992	666,949	(571,957)
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets	12,088,454	22,262,359	(10,173,905)
8. Compensation and benefits accrual	159,746	349,344	(189,598)
9. Pension accrual			
10. Receivables - nonadmitted	2,902,175	4,778,515	(1,876,340)
11. Net operating loss carry-forward	1,604	2,673	(1,069)
12. Tax credit carry-forward			
13. Other (items <5% of total ordinary tax assets)	279,005	363,979	(84,974)
Other (items >=5% of total ordinary tax assets)			
14.			
99. Subtotal	16,399,680	29,112,218	(12,712,538)
b. Statutory valuation allowance adjustment			
c. Nonadmitted	10,892,294	19,533,872	(8,641,578)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	5,507,386	9,578,346	(4,070,960)
e. Capital:			
1. Investments			
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <5% of total capital tax assets)			
Other (items >=5% of total capital tax assets)			
5.			
99. Subtotal			

NOTES TO FINANCIAL STATEMENTS

f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	5,507,386	9,578,346	(4,070,960)

3. Deferred Tax Liabilities

	1	2	3
	2017	2016	(Col 1-2) Change
a. Ordinary:			
1. Investments			
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <5% of total ordinary tax liabilities)	26,746		26,746
Other (items >=5% of total ordinary tax liabilities)			
6.			
99. Subtotal	26,746		26,746
b. Capital:			
1. Investments			
2. Real estate			
3. Other (tems <5% of total capital tax liabilities)			
Other (items >=5% of total capital tax liabilities)			
4.			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	26,746		26,746
4. Net Deferred Tax Assets (2i – 3c)	5,480,640	9,578,346	(4,097,706)

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in deferred income taxes in the surplus section of the Annual Statement):

	12/31/2017	12/31/2016	Change
Total deferred tax assets	16,399,680	29,112,218	(12,712,538)
Total deferred tax liabilities	(26,746)	-	(26,746)
Net deferred tax asset (liability)	16,372,934	29,112,218	(12,739,284)
Tax effect of unrealized (gains)/losses	-	-	-
Change in net deferred income tax assets - increase (decrease)			(12,739,284)

The Tax Cuts and Jobs Act (TCJA) was enacted on December 22, 2017. The TCJA, in part, reduces the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. TCJA’s change in the federal rate requires that the Plan remeasure deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally the new 21% federal corporate tax rate. At December 31, 2017, the Plan has not completed accounting for the tax effects of enactment of the Act; however, the Plan has made a reasonable estimate of the effects of the existing deferred tax balances and recognized a provisional amount of \$10.9 million, which is included as a component of income tax expense. The Plan will continue to make and refine the calculations as additional analysis is completed. In addition, the Plan's estimates may also be affected as the Plan gains a more thorough understanding of the tax law based on expected future guidance from the Internal Revenue Service and U.S. Treasury.

The Plan is subject to taxation in the United States and the state of Michigan. With few exceptions, the Plan is no longer subject to U.S. federal tax examination for tax years before 2014 and state or local tax examination for tax years before 2013.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal tax rate to income before income taxes. The significant items causing this difference are as follows:

	Tax Effect	Effective Tax Rate
Taxes on income at federal statutory tax rate	18,631,588	35.00%
Changes in nonadmitted assets	3,211,810	6.03%
Remeasurement of deferred tax assets	10,915,290	20.51%
Other	256,251	0.48%
Reported tax expense	33,014,937	62.02%
Federal and foreign income taxes incurred	20,288,404	38.11%
Federal income tax on net capital gains	(12,751)	-0.02%
Change in net deferred income taxes	12,739,284	23.93%
Total statutory income taxes	33,014,937	62.02%

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

Unused operating loss carryforwards available to offset against future taxable income:

Year	Amount
2017	\$ 7,638
2016	\$ 85,453

NOTES TO FINANCIAL STATEMENTS

The amount of federal income taxes incurred that will be available for recoupment in the event of future net losses is approximately:

Year	Amount
2017	\$ 19,476,800
2016	\$ 33,550,301

The Plan did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

The Plan is included in the consolidated federal income tax return with its ultimate parent, Molina. Under a written intercompany tax-sharing agreement with Molina, approved by the Plan’s board of directors, the combined federal income tax is allocated to each entity which is a party to the consolidation. Molina collects from, or refunds to, the subsidiaries the amount of taxes or benefits determined as if each entity filed separate tax returns. Under the tax-sharing agreement, the Plan has an enforceable right to recoup federal income taxes paid in prior years in the event of future net losses or to recoup net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany tax balances are settled within 90 days of filing the consolidated federal income tax return, or where a refund is due, within 90 days of the receipt of such refund. Molina’s federal income tax return is consolidated with the entities shown in Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Plan does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. The Plan is a wholly owned subsidiary of Molina. Molina and its subsidiaries provide quality managed care to people receiving government assistance. Molina offers healthcare services for persons served by Medicaid, Medicare, and the Marketplace, and products to assist government agencies in their administration of the Medicaid program. Molina has wholly owned operating subsidiaries in various states as indicated in Schedule Y, Parts 1 and 1A.
- B.-C. The Plan paid ordinary dividend amounting to \$30.9 million and extraordinary dividends amounting to \$19.1 million to Molina in the year ended December 31, 2017. The Plan received approval from the Department on December 18, 2017.
- The Plan has an agreement with Molina whereby Molina provides certain management services to the Plan. Expenses incurred relating to this agreement amounted to \$122.8 million and \$98.0 million for the years ended December 31, 2017 and 2016, respectively.
- The Plan leases office space from Molina Healthcare of California, a subsidiary of Molina. Rental payments for this lease amounted to \$1.9 million and \$1.9 million for the years ended December 31, 2017 and 2016, respectively.
- D. As of December 31, 2017, amounts due to Molina and affiliates totaled \$5.8 million. Intercompany receivables and payables are generally settled on a monthly basis.
- E. The Plan is not a guarantor and does not participate in any undertakings.
- F. The Plan has a services agreement with Molina, as described in Note 10.C. above.
- G. As indicated in Note 10.A. above, the Plan is a wholly owned subsidiary of Molina. The entities under common ownership of Molina are indicated in Schedule Y, Parts 1 and 1A.
- H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned: None.
- I. Investment in Subsidiary, Controlled or Affiliated (“SCA”) Entity that Exceeds 10% of the Admitted Assets of the Insurer: None
- J. Investments in Impaired SCAs: None.
- K. Investment in Foreign Insurance Subsidiary: None
- L. Investment in Downstream Noninsurance Holding Company: None.
- M. All SCA Investments: None.
- N. Investment in Insurance SCAs: None.

Note 11 – Debt

- A. Debt Including Capital Notes: None.
- B. FHLB (Federal Home Loan Bank) Agreements: None.

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. - D. Defined Benefit Plan: None.
- E. Defined Contribution Plans: See Note 12.G. below.
- F. Multiemployer Plans: None.
- G. Consolidated/Holding Company Plans: The Plan’s employees participate in a defined contribution 401(k) plan sponsored by Molina that covers substantially all full-time salaried and clerical employees. Eligible employees are allowed to contribute up to the maximum allowed by law. The Plan matches up to the first 4% of compensation contributed by the employees. The Plan has no legal obligation to provide benefits under the plan. The Plan’s expense recognized in connection with the 401(k) plan was \$1.3 million and \$1.3 million for the years ended December 31, 2017 and 2016, respectively.

NOTES TO FINANCIAL STATEMENTS

- H. Postemployment Benefits and Compensated Absences: None.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17): None.

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- (1) The Plan has 200,000 shares of \$0 par value common stock authorized, 30,000 shares of Class B and 129,000 shares of Class A issued and outstanding.
- (2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues: None.
- (3) Dividend Restrictions: The laws of the state of Michigan limit the payment and declaration of extraordinary and ordinary dividends. As set forth in the Michigan Insurance Code, without prior approval of its insurance commissioner, dividends may only be paid from earned surplus. Extraordinary dividends must be approved by the Department.
- (4) Dates and Amounts of Dividends Paid:
The Plan paid Molina an ordinary dividend amounting to \$30.9 million and extraordinary dividend amounting to \$19.1 million on December 22, 2017. The Plan received approval from the Department on December 18, 2017.
- (5) Subject to the limitations of (3) above, no restrictions have been placed on the portion of the Plan’s profits that may be paid as ordinary dividends to Molina.
- (6) Restrictions Plans on Unassigned Funds (Surplus): None.
- (7) Amount of Advances to Surplus not Repaid: None.
- (8) Amount of Stock Held for Special Purposes: None.
- (9) Changes in the balance of special surplus funds: In accordance with SSAP No. 106, *Affordable Care Act Assessments*, the Plan reclassifies an amount equal to the estimated health insurer fee due in the following calendar year from unassigned surplus to special surplus. The special surplus balance at December 31, 2017 represented the Plan’s estimated health insurer fee for 2018. Due to the moratorium on the health insurer fee for the 2017 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2016.
- (10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$0.
- (11) Surplus Debentures or Similar Obligations: None.
- (12) The impact of any restatement due to prior quasi-reorganizations is as follows: None.
- (13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization: None.

Note 14 – Liabilities, Contingencies and Assessments

- A. Contingent Commitments: The Plan has no contingent commtments.
- B. Assessments: None.
- C. Gain Contingencies: None.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities: None.
- E. Joint and Several Liabilities: None.
- F. All Other Contingencies: From time to time, the Plan may be involved in legal actions in the normal course of business, some of which involve a demand for both compensatory and punitive damages not covered by insurance. Currently, there are no pending or threatened actions which, to the knowledge and in the opinion of management and the Plan’s counsel, would have a material adverse effect on the Plan’s financial position, results of operations or cash flow.

Note 15 – Leases

- A. Lessee Operating Lease
 - (1) The Plan leases office facilities and equipment under noncancelable long-term operating leases. Some of the leases contain escalation clauses and renewal options. Rental expense relating to these leases totaled \$2.1 million and \$2.1 million for the years ended December 31, 2017 and 2016, respectively.
 - (2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year
 - a. At January 1, 2018 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2018	\$ 2,149,937
2. 2019	\$ 1,697,907
3. 2020	\$ 147,719
4. 2021	\$ 113,321
5. 2022	\$ 11,830
6. Total	\$ 4,120,714

- (3) For Sale-Leaseback Transactions: None.
- B. Lessor Leases: None.

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

NOTES TO FINANCIAL STATEMENTS

None.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales: None.
- B. Transfer and Servicing of Financial Assets: None.
- C. Wash Sales: None.

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans

- A. ASO Plans: None.
- B. ASC Plans: None.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract: The Medicare Part D program is a partially insured plan. The Plan recorded amounts receivable of \$0.3 million and \$0.3 million and a payable of \$3.4 million and \$3.9 million relating to uninsured plans at December 31, 2017 and 2016, respectively, for cost reimbursements under the Medicare Part D program.

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None.

Note 20 – Fair Value Measurements

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

Level 1 – Certain inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Certain inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Certain inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

- A. Fair Value Measurements
 - (1) Fair Value Measurements at Reporting Date: None.
 - (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy: None.
 - (3) Policies when Transfers Between Levels are Recognized: The actual date of the event or change in circumstances that caused the transfer.
 - (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement: None.
 - (5) Fair Value Disclosures: None.
- B. Fair Value Combination: None.
- C. Aggregate Fair Value Hierarchy

The aggregate fair value hierarchy of all financial instruments as of December 31, 2017 and 2016 is presented in the table below:

2017:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Corporate debt securities	\$ 219,805,181	\$ 220,081,395	\$ -	\$ 219,805,181	\$ -	\$ -	\$
Government-sponsored enterprise securities	\$ 74,621,646	\$ 74,748,302	\$ 74,621,646	\$ -	\$ -	\$ -	\$
Money market funds	\$ 8,354,454	\$ 8,354,454	\$ 8,354,454	\$ -	\$ -	\$ -	\$
Municipal securities	\$ 2,173,187	\$ 2,193,153	\$ -	\$ 2,173,187	\$ -	\$ -	\$
Total bonds and short-term investments	\$ 304,954,468	\$ 305,377,304	\$ 82,976,100	\$ 221,978,368	\$ -	\$ -	\$

The Plan elects not to early adopt the use of net asset value per share ("NAV") for the year ended December 31, 2017.

NOTES TO FINANCIAL STATEMENTS

2016:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Certificates of deposit	\$ 12,480,000	\$ 12,480,000	\$ -	\$ 12,480,000	\$ -	\$ -
Corporate debt securities	180,853,780	180,977,333	-	180,853,780	-	-
Government-sponsored enterprise securities	40,800,985	40,844,285	40,800,985		-	-
Money market funds	10,311,689	10,311,689	10,311,689	-	-	-
Municipal securities	6,440,072	6,463,705	-	6,440,072	-	-
Total bonds and short-term investments	\$ 250,886,526	\$ 251,077,012	\$ 51,112,674	\$ 199,773,852	\$ -	\$ -

D. Not Practicable to Estimate Fair Value: None.

Note 21 – Other Items

A. Unusual or Infrequent Items: None.

B. Troubled Debt Restructuring Debtors: None.

C. Other Disclosures:

The state of Michigan is participating in CMS’s dual eligible demonstration to integrate Medicare and Medicaid services for dual eligible individuals. The Plan refers to the demonstration as its Medicare-Medicaid Plan (“MMP”) implementation. The Department has instructed the Plan to report all MMP results under the Medicare category.

D. Business Interruption Insurance Recoveries: None.

E. State Transferable and Non-Transferable Tax Credits: None.

F. Subprime Mortgage Related Risk Exposure: None.

G. Retained Assets: None.

H. Insurance-Linked Securities (ILS) Contracts: None.

Note 22 – Events Subsequent

Type I – Recognized Subsequent Events: None.

Type II – Nonrecognized Subsequent Events:

The Plan is subject to an annual health insurer fee under section 9010 of the Federal Affordable Care Act (“ACA”). This annual fee is allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The special surplus balance at December 31, 2017 represented the Plan’s estimated health insurer fee for 2018. Due to the moratorium on the health insurer fee for the 2017 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2016.

A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?		Yes [X]	No []
B.	ACA fee assessment payable for the upcoming year	\$ 34,100,000	\$	
C.	ACA fee assessment paid	\$	\$ 26,030,417	
D.	Premium written subject to ACA 9010 assessment	\$ 2,043,575,804	\$	
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)	\$ 160,299,190		
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	\$ 126,199,190		
G.	Authorized control level (Five-Year Historical Line 15)	\$ 51,677,888		
H.	Would reporting the ACA assessment as of December 31, 2017 have triggered an RBC action level (YES/NO)?		Yes []	No [X]

There are no events occurring subsequent to the close of the books that would have a material effect on the Plan’s financial condition. Subsequent events were considered through February 28, 2018, for the statutory statement available to be issued on February 28, 2018.

Note 23 – Reinsurance

A. Ceded Reinsurance Report

Section1 – General Interrogatories

- (1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [] No [X]
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? Yes [] No [X]

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes [] No [X]

NOTES TO FINANCIAL STATEMENTS

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes [] No [X]

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes [] No [X]

- B. Uncollectible Reinsurance: None.
- C. Commutation of Ceded Reinsurance: None.
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A.- C. Based on member encounter data that the Plan submits to CMS, Medicare premiums are subject to retroactive increase or decrease based upon member medical conditions for up to two years after the original year of service. The Plan estimates the amount of Medicare revenue that will ultimately be realized for the periods presented based on its knowledge of its members' health care utilization patterns and CMS practices. Based on the Plan's knowledge of member health care utilization patterns and expenses, the Plan recorded a net receivable of approximately \$4.4 million and a payable of \$1.1 million as of December 31, 2017 and 2016, respectively, related to its contracts with CMS. The Plan had net premiums written of \$362.3 million and \$288.4 million for its Medicare business for the years ended December 31, 2017 and 2016, representing 18.7% and 13.7% of total net premiums written in 2017 and 2016, respectively.

The Plan began serving members through the Marketplace in January 2014. Under the risk sharing provisions of the ACA, Marketplace premiums are subject to redetermination through the risk adjustment program in which the risk scores of enrollees are used to determine the final premium amount. In addition, Marketplace premiums are subject to retrospective rating through the risk corridor program in which the Plan and the Federal government share in loss experience above or below a specified range. The Plan estimates accrued retrospective premium adjustments for its Marketplace business through a mathematical approach with inputs that may include premiums, claims costs, administrative expenses, reinsurance recoveries, and risk adjustment transfer payments. The Plan recorded a net payable of approximately \$27.3 million and \$1.9 million as of December 31, 2017 and 2016, respectively, related to its Marketplace business. The Plan had net premiums written of \$50.1 million and \$10.0 million for its Marketplace business for the years ended December 31, 2017 and 2016, representing 2.6% and 0.5% of the total net premiums written in 2017 and 2016, respectively

- D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ 189,206	\$	\$	\$	\$ 189,206
(2) Medical loss ratio rebates paid	\$	\$	\$	\$	\$
(3) Medical loss ratio rebates unpaid	\$ 189,206	\$	\$	\$	\$ 189,206
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 189,206
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ (189,206)	\$	\$	\$	\$ (189,206)
(8) Medical loss ratio rebates paid	\$	\$	\$	\$	\$
(9) Medical loss ratio rebates unpaid	\$	\$	\$	\$	\$
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$

- E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes [X] No []

- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

a. Permanent ACA Risk Adjustment Program	AMOUNT
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 36,400
3. Premium adjustments payable due to ACA Risk Adjustment	\$ 27,331,392
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ (27,625,963)
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$ (36,420)

b. Transitional ACA Reinsurance Program	AMOUNT
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ 17,524
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$
Liabilities	

NOTES TO FINANCIAL STATEMENTS

b. Transitional ACA Reinsurance Program		AMOUNT
4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	\$
5.	Ceded reinsurance premiums payable due to ACA Reinsurance	\$
6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$
Operations (Revenue & Expenses)		
7.	Ceded reinsurance premiums due to ACA Reinsurance	\$
8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ 73,312
9.	ACA Reinsurance contributions – not reported as ceded premium	\$

c. Temporary ACA Risk Corridors Program		AMOUNT
Assets		
1.	Accrued retrospective premium due to ACA Risk Corridors	\$
Liabilities		
2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$
Operations (Revenue & Expenses)		
3.	Effect of ACA Risk Corridors on net premium income (paid/received)	\$ (39,105)
4.	Effect of ACA Risk Corridors on change in reserves for rate credits	\$ 545,453

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Premium adjustments (payable)		(1,180,041)		(1,474,612)		294,571		(294,571)	B		
3. Subtotal ACA Permanent Risk Adjustment Program	\$	\$ (1,180,041)	\$	\$ (1,474,612)	\$	\$ 294,571	\$	\$ (294,571)		\$	\$
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ 42,555	\$	\$ 98,342	\$	\$ (55,787)	\$	\$ 73,311	\$	C	\$ 17,524	\$
2. Amounts recoverable for claims unpaid (contra liability)									D		
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums		(18,144)		(18,144)					F		
5. Ceded reinsurance premiums payable		(72,576)		(72,576)					G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	\$ 42,555	\$ (90,720)	\$ 98,342	\$ (90,720)	\$ (55,787)	\$	\$ 73,311	\$		\$ 17,524	\$
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds		(545,453)		(39,105)		(506,348)		506,348	J		
3. Subtotal ACA Risk Corridors Program	\$	\$ (545,453)	\$	\$ (39,105)	\$	\$ (506,348)	\$	\$ 506,348		\$	\$
d. Total for ACA Risk Sharing Provisions	\$ 42,555	\$ (1,816,214)	\$ 98,342	\$ (1,604,437)	\$ (55,787)	\$ (211,777)	\$ 73,311	\$ 211,777		\$ 17,524	\$

Explanations of Adjustments

- B. Adjusted to reflect the final settlement amount communicated by CMS in December 2017.
- C. Adjusted as a result of additional paid claims and to reflect the final settlement amount communicated by CMS in December 2017.
- J. Adjusted as a result of additional months of development and for final settlements related to risk adjustment and reinsurance.

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

	Accrued the Prior Year	During on Business	Received or Paid as of the Current Year on	Differences		Adjustments			Unsettled Balances as of the Reporting Date	
				Prior Year Accrued Less	Prior Year Accrued Less	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from	Cumulative Balance from

NOTES TO FINANCIAL STATEMENTS

	Written Before		Business Written		Payments	Payments				Prior Years	Prior Years
	Dec. 31 of the	Prior Year	Before Dec. 31 of		(Col. 1-3)	(Col. 2-4)				(Col. 1-3+7)	(Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$ (545,453)	\$	\$ (39,105)	\$	\$ (506,348)	\$	\$ 506,348	F	\$	\$
d. Total for Risk Corridors	\$	\$ (545,453)	\$	\$ (39,105)	\$	\$ (506,348)	\$	\$ 506,348		\$	\$

F. Adjusted as a result of additional months of development and for final settlements related to risk adjustment and reinsurance.

(5) ACA Risk Corridors Receivable as of Reporting Date: The Plan had no ACA risk corridor receivables for periods from 2014 to 2016.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

The change in prior year estimated claims reserves represents favorable development in claims experience. Original estimates are increased or decreased as additional information becomes known regarding incurred reported claims. Claims unpaid activity during the periods indicated is summarized below:

	Twelve months ended 12/31/2017
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, beginning of period	\$ 255,163,227
Add provision for claims, net of reinsurance:	
Current year	1,699,283,856
Prior years	(14,383,401)
Net incurred claims during the current year	1,684,900,455
Deduct paid claims, net of reinsurance:	
Current year	1,537,599,930
Prior years	201,863,436
Net paid claims during the current year	1,739,463,366
Change in claims adjustment expenses	(120,023)
Change in health care receivables	1,876,849
Change in amounts due from reinsurers	220,340
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, end of period	\$ 202,577,482

B. Information about Significant Changes in Methodologies and Assumptions: The Plan did not make any significant changes in Methodologies and Assumptions used in the calculation of the liability for claims unpaid and unpaid claim adjustment expenses in 2017.

Note 26 – Intercompany Pooling Arrangements

None.

Note 27 – Structured Settlements

None.

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2017	\$ 9,706,831	\$ -	\$ -	\$	\$
09/30/2017	\$ 9,666,548	\$ -	\$ -	\$	\$
06/30/2017	\$ 8,913,402	\$ -	\$ -	\$ 8,706,821	\$

NOTES TO FINANCIAL STATEMENTS

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
03/31/2017	\$ 9,021,628	\$ -	\$ -	\$ 8,338,466	\$ 22,943
12/31/2016	\$ 8,852,173	\$ -	\$ -	\$ 8,109,445	\$ 709,015
09/30/2016	\$ 9,070,263	\$ -	\$ -	\$ 8,066,730	\$ 377,104
06/30/2016	\$ 17,922,436	\$ -	\$ -	\$ 7,707,633	\$ 601,800
03/31/2016	\$ 7,054,440	\$ -	\$ -	\$ 7,776,877	\$ 206,071
12/31/2015	\$ 6,551,103	\$ -	\$ -	\$ 4,600,004	\$ 2,102,460
09/30/2015	\$ 4,255,128	\$ -	\$ -	\$ 4,601,298	\$ 1,815,086
06/30/2015	\$ 4,205,145	\$ -	\$ -	\$ 4,033,193	\$ 597,516
03/31/2015	\$ 2,601,230	\$ -	\$ -	\$ 2,596,945	\$ 1,128,221

B. Risk Sharing Receivables: None.

Note 29 – Participating Policies

None.

Note 30 – Premium Deficiency Reserves

1.

Liability carried for premium deficiency reserve:

\$0
2.

Date of most recent evaluation of this liability:

December 31, 2017
3.

Was anticipated investment income utilized in the calculation?

Yes [X] No []

Note 31 – Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []

1.3

State regulating? Michigan

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2015

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

03/15/2017

3.4

By what department or departments?
State of Michigan - Department of Insurance and Financial Services

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes [] No [] N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [] No [] N/A [X]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes [] No [X]

4.12

renewals?

Yes [] No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes [] No [X]

4.22

renewals?

Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]

5.2

If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,

7.21

State the percentage of foreign control

%

7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1	2
Nationality	Type of Entity

8.1

Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board?

Yes [] No [X]

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4

If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Grant Thornton LLP, 90 State House Square, 10th Floor, Hartford, CT 06103

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

If the response to 10.3 is yes, provide information related to this exemption:

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [] No [X] N/A []

10.6

If the response to 10.5 is no or n/a, please explain:
The Plan is a direct wholly owned subsidiary of Molina. Molina is a publicly traded company and is subject to compliance with the Sarbanes-Oxley Act. An Audit Committee is maintained at the Corporate level (Molina).

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Ben Lynam, FSA, MAAA, Chief Actuary, 200 Oceangate, Suite 100, Long Beach, CA 90802 , Employee of the reporting entity
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [☐]

No [☒]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved

0
- 12.13

Total book/adjusted carrying value

\$0
- 12.2

If yes, provide explanation
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [☐]

No [☐]
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [☐]

No [☐]
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [☐]

No [☐]

N/A [☐]
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [☒]

No [☐]
- (a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c)

Compliance with applicable governmental laws, rules and regulations;
- (d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e)

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is no, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [☐]

No [☒]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [☐]

No [☒]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1

Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes [☐]

No [☒]
- 15.2

If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount
			\$

BOARD OF DIRECTORS

16.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof?

Yes [☒]

No [☐]
17.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes [☒]

No [☐]
18.

Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [☒]

No [☐]

FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [☐]

No [☒]
- 20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11

To directors or other officers

\$0
- 20.12

To stockholders not officers

\$0
- 20.13

Trustees, supreme or grand (Fraternal only)

\$0
- 20.2

Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21

To directors or other officers

\$0
- 20.22

To stockholders not officers

0
- 20.23

Trustees, supreme or grand (Fraternal only)

0
- 21.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement?

Yes [☐]

No [☒]
- 21.2

If yes, state the amount thereof at December 31 of the current year:
- 21.21

Rented from others

\$0
- 21.22

Borrowed from others

\$0
- 21.23

Leased from others

\$0
- 21.24

Other

\$0
- 22.1

Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?

Yes [☒]

No [☐]
- 22.2

If answer is yes:
- 22.21

Amount paid as losses or risk adjustment

\$1,474,612
- 22.22

Amount paid as expenses

\$2,724,926
- 22.23

Other amounts paid

\$0
- 23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [☐]

No [☒]
- 23.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$0

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

24.01

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?

Yes ☒ No ☐

24.02

If no, give full and complete information, relating thereto:

24.03

For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04

Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*?

Yes ☐ No ☐ N/A ☒

24.05

If answer to 24.04 is yes, report amount of collateral for conforming programs.

\$0

24.06

If answer to 24.04 is no, report amount of collateral for other programs

\$0

24.07

Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes ☐ No ☐ N/A ☒

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes ☐ No ☐ N/A ☒

24.09.

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes ☐ No ☐ N/A ☒

24.10

For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101

Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:

\$0

24.102

Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:

\$0

24.103

Total payable for securities lending reported on the liability page:

\$0

25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)

Yes ☒ No ☐

25.2

If yes, state the amount thereof at December 31 of the current year:

25.21

Subject to repurchase agreements

\$0

25.22

Subject to reverse repurchase agreements

\$0

25.23

Subject to dollar repurchase agreements

\$0

25.24

Subject to reverse dollar repurchase agreements

\$0

25.25

Placed under option agreements

\$0

25.26

Letter stock or securities restricted as sale – excluding FHLB Capital Stock

\$0

25.27

FHLB Capital Stock

\$0

25.28

On deposit with states

\$1,018,313

25.29

On deposit with other regulatory bodies

\$0

25.30

Pledged as collateral – excluding collateral pledged to an FHLB

\$0

25.31

Pledged as collateral to FHLB – including assets backing funding agreements

\$0

25.32

Other

\$0

25.3

For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes ☐ No ☒

26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes ☐ No ☐ N/A ☒

27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐ No ☒

27.2

If yes, state the amount thereof at December 31 of the current year:

\$0

28.

Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

28.01

For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Oppenheimer Trust Company	18 Columbia Turnpike Florham Park, NJ 07932
UBS Financial Services	1000 Harbor Blvd Weehawken, NJ 07086

28.02

For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes ☐ No ☒

28.04

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05

Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts", "... handle securities"].

1 Name of Firm or Individual	2 Affiliation
Oppenheimer & Co.	U
UBS Financial Services	U

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes [X] No []

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes [X] No []

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
249	Oppenheimer & Co.		SEC	NO
8174	UBS Financial Services		SEC	NO

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		\$	

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 297,022,849	\$ 296,600,014	\$ (422,835)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 297,022,849	\$ 296,600,014	\$ (422,835)

30.4 Describe the sources or methods utilized in determining the fair values:

Fair values are provided by third party vendor, Clearwater Analytics, who uses unit prices published by the Securities Valuation Office of the NAIC (SVO) when available. For securities not priced by the SVO Clearwater Analytics receives pricing from S&P Capital IQ Pricing. Securities with short maturities and infrequent secondary market trades such as Commercial Paper and Certificates of Deposit, Clearwater will calculate prices by accreting the purchase price to face value at maturity.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [X] No []

32.2 If no, list exceptions:

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist.

b. Issuer or obligor is current on all contracted interest and principal payments.

c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities?

Yes [] No [X]

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$ 561,392

34.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Michigan Association of Health Plans	\$ 527,370

35.1 Amount of payments for legal expenses, if any?

\$ 0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$

36.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$ 0

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

	\$
--	----

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	
1.2	If yes, indicate premium earned on U.S. business only.	\$		0	
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$		0	
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$		0	
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$		0	
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned	\$		0	
1.62	Total incurred claims	\$		0	
1.63	Number of covered lives			0	
	All years prior to most current three years:				
1.64	Total premium earned	\$		0	
1.65	Total incurred claims	\$		0	
1.66	Number of covered lives			0	
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned	\$		0	
1.72	Total incurred claims	\$		0	
1.73	Number of covered lives			0	
	All years prior to most current three years:				
1.74	Total premium earned	\$		0	
1.75	Total incurred claims	\$		0	
1.76	Number of covered lives			0	
2.	Health Test:				
		1	2		
		Current Year	Prior Year		
2.1	Premium Numerator	\$	1,933,072,561	\$	2,107,747,236
2.2	Premium Denominator	\$	1,933,072,561	\$	2,107,747,236
2.3	Premium Ratio (2.1/2.2)		100.0%		100.0%
2.4	Reserve Numerator	\$	230,800,584	\$	270,518,723
2.5	Reserve Denominator	\$	230,800,584	\$	270,518,723
2.6	Reserve Ratio (2.4/2.5)		100.0%		100.0%
3.1	Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?			Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
3.2	If yes, give particulars:				
4.1	Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?			Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?			Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
5.1	Does the reporting entity have stop-loss reinsurance?			Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
5.2	If no, explain:				
5.3	Maximum retained risk (see instructions)				
5.31	Comprehensive Medical	\$		1,267,500	
5.32	Medical Only	\$		0	
5.33	Medicare Supplement	\$		0	
5.34	Dental and Vision	\$		0	
5.35	Other Limited Benefit Plan	\$		0	
5.36	Other	\$		0	
6.	Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:				

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

The Plan is insured under an annual HMO excess risk reinsurance agreement effective 1/1/17-12/31/17 with RGA Reinsurance Company. Subscribers are also protected against the Company's insolvency through provider agreements, evidence of coverage, and/or member handbooks.

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes ☒ No ☐

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

30,281

8.2

Number of providers at end of reporting year

33,044

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes ☐ No ☒

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees with rate guarantees between 15-36 months

\$0

9.22

Business with rate guarantees over 36 months

\$0

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes ☒ No ☐

10.2

If yes:

10.21

Maximum amount payable bonuses

0

10.22

Amount actually paid for year bonuses

15,999,030

10.23

Maximum amount payable withholds

0

10.24

Amount actually paid for year withholds

0

11.1

Is the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes ☐ No ☒

11.13

An Individual Practice Association (IPA), or,

Yes ☐ No ☒

11.14

A Mixed Model (combination of above)?

Yes ☒ No ☐

11.2

Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

Yes ☒ No ☐

11.3

If yes, show the name of the state requiring such minimum capital and surplus.
Michigan

11.4

If yes, show the amount required.

\$103,355,776

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes ☐ No ☒

11.6

If the amount is calculated, show the calculation
RBC 200% Authorized Control Level

12.

List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Alcona, Allegan, Alpena, Antrim, Arenac, Barry,
Bay, Benzie, Berrien, Branch, Calhoun, Cass,
Charlevoix, Cheboygan, Clare, Clinton, Crawford, Eaton,
Emmet, Genesee, Gladwin, Grand Traverse
Gratiot, Hillsdale, Huron, Ingham, Ionia, Iosco,
Isabella, Jackson, Kalamazoo, Kalkaska, Kent,
Lake, Lapeer, Leelanau, Lenawee, Livingston,
Macomb, Manistee, Mason, Mecosta, Midland,
Missaukee, Monroe, Montcalm, Montmorency,
Muskegon, Newaygo, Oakland, Oceana, Ogemaw, Osceola,
Oscoda, Otsego, Ottawa, Presque Isle, Roscommon,
Saginaw, Saint Joseph, Saint Claire, Sanilac
Shiawassee, Tuscola, Van Buren, Washtenaw,
Wayne, Wexford

13.1

Do you act as a custodian for health savings accounts?

Yes ☐ No ☒

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.

\$0

13.3

Do you act as an administrator for health savings accounts?

Yes ☐ No ☒

13.4

If yes, please provide the balance of the funds administered as of the reporting date.

\$0

14.1

Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?

Yes ☐ No ☐ N/A ☒

14.2

If the answer to 14.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0		\$	\$	\$	\$

15.

Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).

15.1

Direct Premium Written

\$0

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

15.2 Total Incurred Claims

\$	0
----	---

15.3 Number of Covered Lives

	0
--	---

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

FIVE-YEAR HISTORICAL DATA

	1 2017	2 2016	3 2015	4 2014	5 2013
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	422,491,747	476,924,474	375,975,829	254,548,256	193,671,094
2. Total liabilities (Page 3, Line 24).....	262,192,557	304,622,623	237,251,057	129,417,741	91,012,577
3. Statutory minimum capital and surplus requirement.....	103,355,776	100,397,672	67,804,626	50,516,764	51,459,270
4. Total capital and surplus (Page 3, Line 33).....	160,299,190	172,301,851	138,724,772	125,130,515	102,658,517
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	1,949,297,515	2,104,804,278	1,467,933,626	1,059,675,436	883,384,967
6. Total medical and hospital expenses (Line 18).....	1,684,900,455	1,729,072,558	1,158,607,651	859,859,505	755,075,548
7. Claims adjustment expenses (Line 20).....	53,409,469	52,515,212	36,101,448	24,732,752	22,354,521
8. Total administrative expenses (Line 21).....	161,865,566	262,203,765	181,299,966	126,670,794	77,645,947
9. Net underwriting gain (loss) (Line 24).....	49,122,025	61,012,743	91,924,561	48,412,385	28,979,261
10. Net investment gain (loss) (Line 27).....	4,173,693	2,791,484	1,223,494	551,834	456,333
11. Total other income (Lines 28 plus 29).....	(49,859)			(35,459)	(16,748)
12. Net income or (loss) (Line 32).....	32,957,455	30,924,255	53,764,624	26,719,674	18,550,126
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	(2,496,668)	74,897,388	136,906,614	58,420,361	18,949,627
Risk-Based Capital Analysis					
14. Total adjusted capital.....	160,299,190	172,301,851	138,724,772	125,130,515	102,658,517
15. Authorized control level risk-based capital.....	51,677,888	50,198,836	33,902,313	25,258,382	25,729,635
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....	398,239	391,148	327,904	242,022	212,837
17. Total member months (Column 6, Line 7).....	4,904,292	4,722,341	3,364,827	2,802,163	2,581,007
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19).	86.4	82.1	78.9	81.1	85.5
20. Cost containment expenses.....	2.4	2.2	2.2	2.0	2.2
21. Other claims adjustment expenses.....	0.3	0.3	0.3	0.3	0.3
22. Total underwriting deductions (Line 23).....	97.5	97.1	93.7	95.4	96.7
23. Total underwriting gain (loss) (Line 24).....	2.5	2.9	6.3	4.6	3.3
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5).....	218,083,243	178,147,913	112,747,913	74,991,443	76,702,683
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	230,123,289	187,468,447	109,664,797	83,216,790	81,370,572
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.....					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

Direct Business Only									
State, Etc.	1	2	3	4	5	6	7	8	9
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama.....AL	...N.....							.....0	
2. Alaska.....AK	...N.....							.....0	
3. Arizona.....AZ	...N.....							.....0	
4. Arkansas.....AR	...N.....							.....0	
5. California.....CA	...N.....							.....0	
6. Colorado.....CO	...N.....							.....0	
7. Connecticut.....CT	...N.....							.....0	
8. Delaware.....DE	...N.....							.....0	
9. District of Columbia.....DC	...N.....							.....0	
10. Florida.....FL	...N.....							.....0	
11. Georgia.....GA	...N.....							.....0	
12. Hawaii.....HI	...N.....							.....0	
13. Idaho.....ID	...N.....							.....0	
14. Illinois.....IL	...N.....							.....0	
15. Indiana.....IN	...N.....							.....0	
16. Iowa.....IA	...N.....							.....0	
17. Kansas.....KS	...N.....							.....0	
18. Kentucky.....KY	...N.....							.....0	
19. Louisiana.....LA	...N.....							.....0	
20. Maine.....ME	...N.....							.....0	
21. Maryland.....MD	...N.....							.....0	
22. Massachusetts.....MA	...N.....							.....0	
23. Michigan.....MI	...L.....	...50,192,901	...323,317,677	1,560,209,662				...1,933,720,240	
24. Minnesota.....MN	...N.....							.....0	
25. Mississippi.....MS	...N.....							.....0	
26. Missouri.....MO	...N.....							.....0	
27. Montana.....MT	...N.....							.....0	
28. Nebraska.....NE	...N.....							.....0	
29. Nevada.....NV	...N.....							.....0	
30. New Hampshire.....NH	...N.....							.....0	
31. New Jersey.....NJ	...N.....							.....0	
32. New Mexico.....NM	...N.....							.....0	
33. New York.....NY	...N.....							.....0	
34. North Carolina.....NC	...N.....							.....0	
35. North Dakota.....ND	...N.....							.....0	
36. Ohio.....OH	...N.....							.....0	
37. Oklahoma.....OK	...N.....							.....0	
38. Oregon.....OR	...N.....							.....0	
39. Pennsylvania.....PA	...N.....							.....0	
40. Rhode Island.....RI	...N.....							.....0	
41. South Carolina.....SC	...N.....							.....0	
42. South Dakota.....SD	...N.....							.....0	
43. Tennessee.....TN	...N.....							.....0	
44. Texas.....TX	...N.....							.....0	
45. Utah.....UT	...N.....							.....0	
46. Vermont.....VT	...N.....							.....0	
47. Virginia.....VA	...N.....							.....0	
48. Washington.....WA	...N.....							.....0	
49. West Virginia.....WV	...N.....							.....0	
50. Wisconsin.....WI	...N.....							.....0	
51. Wyoming.....WY	...N.....							.....0	
52. American Samoa.....AS	...N.....							.....0	
53. Guam.....GU	...N.....							.....0	
54. Puerto Rico.....PR	...N.....							.....0	
55. U.S. Virgin Islands.....VI	...N.....							.....0	
56. Northern Mariana Islands.....MP	...N.....							.....0	
57. Canada.....CAN	...N.....							.....0	
58. Aggregate Other alien.....OT	...XXX...	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
59. Subtotal.....	...XXX...	...50,192,901	...323,317,677	1,560,209,662	.....0	.....0	.....0	...1,933,720,240	.....0
60. Reporting entity contributions for Employee Benefit Plans.....	...XXX...							.....0	
61. Total (Direct Business).....	(a).....1	...50,192,901	...323,317,677	1,560,209,662	.....0	.....0	.....0	...1,933,720,240	.....0

DETAILS OF WRITE-INS

58001. ....								.....0	
58002. ....								.....0	
58003. ....								.....0	
58998. Summary of remaining write-ins for line 58.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
58999. Total (Lines 58001 through 58003 + 58998).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer; (E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.
All premiums written within the state of Michigan.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

40

1531	DE	13-4204626	Molina Healthcare, Inc.
I-00000	DE	81-2824030	Molina Clinical Services, LLC
I-00000	AZ	30-0876771	Molina Healthcare of Arizona, Inc.
I-00000	CA	33-0342719	Molina Healthcare of California
I-00000	CA	20-2714545	Molina Healthcare of California Partner Plan, Inc.
I-00000	NM	45-2634351	Molina Healthcare Data Center, Inc.
I-13128	FL	26-0155137	Molina Healthcare of Florida, Inc.
I-15714	GA	80-0800257	Molina Healthcare of Georgia, Inc.
I-14104	IL	27-1823188	Molina Healthcare of Illinois, Inc.
I-00000	IA	47-3920055	Molina Healthcare of Iowa, Inc.
I-00000	LA	81-4229476	Molina Healthcare of Louisiana, Inc.
I-00000	MD	46-0598968	Molina Healthcare of Maryland, Inc.
I-52630	MI	38-3341599	Molina Healthcare of Michigan, Inc.
I-00000	MS	26-4390042	Molina Healthcare of Mississippi, Inc.
I-00000	NV	20-3567602	Molina Healthcare of Nevada, Inc.
I-95739	NM	85-0408506	Molina Healthcare of New Mexico, Inc.
I-00000	NC	46-4148278	Molina Healthcare of North Carolina, Inc.
I-12334	OH	20-0750134	Molina Healthcare of Ohio, Inc.
I-00000	OK	81-0864563	Molina Healthcare of Oklahoma, Inc.
I-00000	PA	81-0855820	Molina Healthcare of Pennsylvania, Inc.
I-15600	PR	66-0817946	Molina Healthcare of Puerto Rico, Inc.
I-15329	SC	46-2992125	Molina Healthcare of South Carolina, LLC
I-10757	TX	20-1494502	Molina Healthcare of Texas, Inc.
I-13778	TX	27-0522725	Molina Healthcare of Texas Insurance Company
I-95502	UT	33-0617992	Molina Healthcare of Utah, Inc.
I-15133	VA	26-1769086	Molina Healthcare of Virginia, Inc.
I-96270	WA	91-1284790	Molina Healthcare of Washington, Inc.
I-12007	WI	20-0813104	Molina Healthcare of Wisconsin, Inc.
I-00000	NY	27-1603200	Molina Healthcare of New York, Inc.
I-00000	NY	47-3580625	Molina Holdings Corporation
I-00000	CA	46-2821516	Molina Hospital Management, LLC
I-00000	CA	27-1510177	Molina Information Systems, LLC (dba Molina Medicaid Solutions)
I-00000	CA	37-1652282	Molina Medical Management, Inc.
I-00000	DE	45-2854547	Molina Pathways, LLC
I-00000	TX	47-2296708	Molina Pathways of Texas, Inc.
I-00000	DE	47-2525144	Pathways Health and Community Support LLC
I-00000	DE	58-2478281	AmericanWork, Inc.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

-00000	PA	20-2639439	Children's Behavioral Health, Inc.
-00000	DE	88-0469530	Choices Group, Inc.
-00000	CA	95-4864640	College Community Services
-00000	IN	35-2085281	Dockside Services, Inc.
-00000	VA	54-1620121	Family Preservation Services, Inc.
-00000	FL	65-0848685	Family Preservation Services of Florida, Inc.
-00000	NC	86-0976674	Family Preservation Services of North Carolina, Inc.
-00000	DC	20-0086731	Family Preservation Services of Washington, D.C., Inc.
-00000	WV	86-1035573	Family Preservation Services of West Virginia, Inc.
-00000	NV	88-0321776	Maple Star Nevada
-00000	OR	93-1263318	Maple Star Oregon, Inc.
-00000	DE	62-1651095	Pathways Community Corrections, Inc.
-00000	IL	36-3465604	Camelot Care Centers, Inc.
-00000	DE	33-0797276	Pathways Community Services LLC
-00000	PA	23-2820336	Pathways Community Services LLC
-00000	TX	74-2868929	Pathways Community Support of Texas, Inc.
-00000	AZ	86-0706547	Pathways of Arizona, Inc.
-00000	DE	59-3766748	Pathways of Delaware, Inc.
-00000	DE	81-2396831	Pathways Human Services, LLC
-00000	DE	46-5044433	Pathways of Idaho LLC
-00000	ME	86-0970832	Pathways of Maine, Inc.
-00000	DE	47-1016377	Pathways of Massachusetts LLC
-00000	OK	74-2884198	Pathways of Oklahoma, Inc.
-00000	WA	27-2837920	Pathways of Washington, Inc.
-00000	PA	23-2181371	The RedCo Group, Inc.
-00000	PA	25-1470445	Raystown Developmental Services, Inc.
-00000	GA	58-1923779	Transitional Family Services, Inc
-00000	CA	46-5098489	Molina Youth Academy

2017 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7	Schedule D – Part 6 – Section 2	E16
Assets	2	Schedule D – Summary By Country	SI04
Cash Flow	6	Schedule D – Verification Between Years	SI03
Exhibit 1 – Enrollment By Product Type for Health Business Only	17	Schedule DA – Part 1	E17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18	Schedule DA – Verification Between Years	SI10
Exhibit 3 – Health Care Receivables	19	Schedule DB – Part A – Section 1	E18
Exhibit 3A – Health Care Receivables Collected and Accrued	20	Schedule DB – Part A – Section 2	E19
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	21	Schedule DB – Part A – Verification Between Years	SI11
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	22	Schedule DB – Part B – Section 1	E20
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	23	Schedule DB – Part B – Section 2	E21
Exhibit 7 – Part 1 – Summary of Transactions With Providers	24	Schedule DB – Part B – Verification Between Years	SI11
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	24	Schedule DB – Part C – Section 1	SI12
Exhibit 8 – Furniture, Equipment and Supplies Owned	25	Schedule DB – Part C – Section 2	SI13
Exhibit of Capital Gains (Losses)	15	Schedule DB – Part D – Section 1	E22
Exhibit of Net Investment Income	15	Schedule DB – Part D – Section 2	E23
Exhibit of Nonadmitted Assets	16	Schedule DB – Verification	SI14
Exhibit of Premiums, Enrollment and Utilization (State Page)	30	Schedule DL – Part 1	E24
Five-Year Historical Data	29	Schedule DL – Part 2	E25
General Interrogatories	27	Schedule E – Part 1 – Cash	E26
Jurat Page	1	Schedule E – Part 2 – Cash Equivalents	E27
Liabilities, Capital and Surplus	3	Schedule E – Part 3 – Special Deposits	E28
Notes To Financial Statements	26	Schedule E – Verification Between Years	SI15
Overflow Page For Write-ins	44	Schedule S – Part 1 – Section 2	31
Schedule A – Part 1	E01	Schedule S – Part 2	32
Schedule A – Part 2	E02	Schedule S – Part 3 – Section 2	33
Schedule A – Part 3	E03	Schedule S – Part 4	34
Schedule A – Verification Between Years	SI02	Schedule S – Part 5	35
Schedule B – Part 1	E04	Schedule S – Part 6	36
Schedule B – Part 2	E05	Schedule S – Part 7	37
Schedule B – Part 3	E06	Schedule T – Part 2 – Interstate Compact	39
Schedule B – Verification Between Years	SI02	Schedule T – Premiums and Other Considerations	38
Schedule BA – Part 1	E07	Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule BA – Part 2	E08	Schedule Y – Part 1A – Detail of Insurance Holding Company System	41
Schedule BA – Part 3	E09	Schedule Y – Part 2 – Summary of Insurer’s Transactions With Any Affiliates	42
Schedule BA – Verification Between Years	SI03	Statement of Revenue and Expenses	4
Schedule D – Part 1	E10	Summary Investment Schedule	SI01
Schedule D – Part 1A – Section 1	SI05	Supplemental Exhibits and Schedules Interrogatories	43
Schedule D – Part 1A – Section 2	SI08	Underwriting and Investment Exhibit – Part 1	8
Schedule D – Part 2 – Section 1	E11	Underwriting and Investment Exhibit – Part 2	9
Schedule D – Part 2 – Section 2	E12	Underwriting and Investment Exhibit – Part 2A	10
Schedule D – Part 3	E13	Underwriting and Investment Exhibit – Part 2B	11
Schedule D – Part 4	E14	Underwriting and Investment Exhibit – Part 2C	12
Schedule D – Part 5	E15	Underwriting and Investment Exhibit – Part 2D	13
Schedule D – Part 6 – Section 1	E16	Underwriting and Investment Exhibit – Part 3	14